

**Statement of the National Uniform Claim Committee
To the
National Committee on Vital and Health Statistics
Subcommittee on Standards and Security and
Workgroup on Computer-Based Patient Records
Presented by Jean P. Narcisi**

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My name is Jean Narcisi. I am the Director of Electronic Medical Systems at the American Medical Association (AMA) and Chair of the National Uniform Claim Committee (NUCC). It is my pleasure to appear today on behalf of the NUCC before the Subcommittee on Standards and Security and the Workgroup on Computer-Based Patient Records of the National Committee on Vital and Health Statistics (NCVHS). I would like to thank you for the opportunity to testify.

My brief statement summarizes the Memorandum of Understanding (MOU) between the Department of Health and Human Services (DHHS) and the consortium of organizations designated to manage the maintenance of the electronic data interchange transaction standards adopted under the Health Insurance Portability and Accountability Act (HIPAA) of 1996. I will also present how this affects the activities of the NUCC. The following comments will address the questions we were asked to discuss as well as other issues of concern to the NUCC.

1. What do you see as benefits to the public, the government, and health care organizations with this process?

The medical professional community continues the transition to electronic transactions and prepares for the future implementation of the standards adopted under HIPAA. Because of this increased involvement, it has become essential that a process be established to provide coordination for the maintenance of the administrative simplification standards within the health care industry.

Each data content committee and standard development organization outlined in the MOU represents a specific industry segment and will be responsible for maintaining applicable data content and data conditions as well as technical expertise in the maintenance of the HIPAA Implementation Guides. The consortium of organizations designated to manage the transactions have proven their willingness to assure that all standards development and maintenance activities are conducted with open public participation, due process and in a timely fashion.

The major benefits to the public, the government, and health care organizations with this process will be the development of a single-point-of-entry web site and a formal standardized format for maintenance requests. There will be a filtering process for all change requests and this model will be contingent on: 1) the ability to deliver a request quickly to the MOU participants, 2) the process of deliberation by the committees, and 3)

the coordination and consensus of the business needs for all users affected by administrative transactions.

The NUCC is grateful for the several opportunities that have been provided to date by the Secretary of HHS and the pertinent agencies for consultation.

The NUCC is comprised of key parties who are affected by health care EDI - those at either end of a health care transaction such as payers and providers. In addition, the NUCC includes representatives of standards development organizations, regulatory agencies, and the National Uniform Billing Committee. Criteria for membership are: a national scope and representation of a unique constituency affected by health care EDI, with an emphasis on maintaining or enhancing the provider/payer balance in the original NUCC composition. Each Committee member is intended to represent the perspective of the sponsoring organization and the applicable constituency.

The NUCC believes that the process outlined by the MOU for development and maintenance of the HIPAA standards meets the criteria necessary to effectively maintain national standards. In addition, the following benefits will be provided:

- A formal process will be in place that describes how the public will have a voice in the data maintenance process and that changes will be timely and adequately communicated to the industry;
- A consensus approach will be used that will ensure that the transactions will evolve to conform to the needs of the future.
- The participants of the MOU have representation of the key parties affected by EDI (e.g., providers and payers).
- The public meetings will be announced to the broadest possible audience and the agenda items or data request(s), central contact and meeting site will be available on all of the participants web sites.
- Procedures will be established to submit requests for data maintenance;
- A process will be established for communicating the actions taken on requests, and responding to each requestor and the public;
- There is an appeals process similar to that defined by ANSI.

2. Any concerns with the process?

The NUCC is concerned with the funding of the single-point-of-entry web site that has been discussed as the solution for the maintenance of the national standards. This option needs to be thoroughly researched and evaluated by the MOU participants. A single-point-of-entry web site that is linked to the database for the Implementation Guides will actually lower the costs for development and maintenance of the Guides. Therefore, the NUCC mentioned at its last meeting that perhaps HHS should be responsible for funding the web site since HHS currently funds the maintenance of the Implementation Guides.

If HHS does not incur the cost of the web site, it may be necessary to support it through advertising and/or sponsors. However, during the most recent meeting of the NUCC,

several members expressed concerns regarding advertising and sponsorship. Some NUCC members indicated that their respective organizations had specific policies against advertising. I am certain that this would also be true for the members of the other data content committees and standards development organizations. For this reason, I would strongly urge that principles or guidelines be established regarding advertising and/or sponsorship for the single-point-of-entry web site.

The AMA recently released “Guidelines for Medical and Health Information Sites on the Internet” and they were very recently published in the Journal of the American Medical Association (JAMA) issue 283 on pages 1600 – 1606. They can also be found at http://pubs.ama-assn.org/ama_web.html. I would be happy to provide these guidelines to this Subcommittee, Workgroup and the MOU participants to use as a basis for developing their own guidelines.

3. Process by which your organization approved the MOU.

As we are all aware, the process that has culminated in the MOU that we are signing here today, was long, arduous, and often frustrating. Ultimately, I believe all of the parties to the MOU had the same goal in mind. That goal was the development of a methodology that will enable the realization and continuation of true administrative simplification.

The members of the NUCC have been involved in the MOU discussions from day one. Each major revision to the document was submitted to the NUCC membership for review and comment. When revisions coincided with meetings of the NUCC, the issue was placed on the agenda and discussed at length. At other times, the NUCC conducted teleconferences to examine the proposed issues.

The final draft of the MOU was presented to the full NUCC at its meeting on February 16 and 17 of this year. Mr. Stanley Nachimson was kind enough to formally present the MOU and took the time to answer any lingering questions asked by the members of the NUCC and their guests. One question he addressed in particular was the issue of this consortium of organizations as it relates to the Federal Advisory Committee Act (FACA). He was also able to present the proposed itinerary for the signing of the MOU. Following the question and answer period, the NUCC met in executive session to discuss their concerns. The NUCC voted unanimously to sign the MOU as presented with the understanding that each NUCC representative had the support of their sponsoring organization.

4. Any changes that will be required for your organization to comply with the MOU?

As I mentioned earlier, the concern about the funding for the development and maintenance of the single-point-of-entry web site needs to be addressed. Some of the members of the NUCC have expressed concern about the use of advertising and/or sponsorship on the web site in order to fund its ongoing operation. This is an issue that I believe can be addressed using specific guidelines for advertising on the web.

I strongly recommend that the single-point-of-entry web site should reside with the maintainer of the ASC X12N Implementation Guide database. I believe that this would provide a more cost-effective and time-efficient solution.

In addition, the NUCC and the other data content committees should work with the designer of the web site very closely to determine exactly what types of changes will be handled by the respective organizations. The NUCC has established a small group of individuals who will look at the issues which the NUCC would like to review. The NUCC also recommends that the Steering Committee of this consortium, which is comprised of a member of each data content committee and each standard developing organization, should discuss the issues of web site design, costs and other issues as soon as possible following the signing of this MOU.

On behalf of the National Uniform Claim Committee, I want to thank you again for this opportunity to comment before the NCVHS. I want to express my appreciation for the several opportunities that have been provided to-date to assist the Department in fulfilling the responsibilities associated with Subtitle F of the Health Insurance Portability and Accountability Act of 1996.

As one of the consulting organizations specified in HIPAA, the NUCC is highly supportive of the development and use of national standards for electronic transactions. We look forward to working closely with the other members of the consortium to maintain the standards that will provide our nation with an administratively simplified health care system.